

EXHIBIT H



**ALCATEL USA, INC.**  
Administration Committee Meeting – December 9, 2002

The Administration Committee met on December 9, 2002. Committee members in attendance were Pat Vogeler, Megan Donovan, Bill King, Henry Wasik, and Wayne Cole. Also in attendance was Brenda Mills. The first part of the meeting was strictly for the Committee to review recent ERISA appeals and determine the Committee's response. The second part of the meeting was to discuss various outstanding items.

**AGENDA**

The items on the agenda for the Committee meeting were:

1. Review recent ERISA appeal cases (see attachment) and determine Committee's final response to appeals
2. Investment Consultant discussion regarding outstanding items and performance
3. Committee Members

**REVIEW, DISCUSSION, AND RECOMMENDATIONS**

Brenda Mills led a review of the open ERISA cases (see attached). The Committee voted to maintain the Company's denial of benefits to all the appeal requests. In the appeal for William Foley he stated that he had been discriminated against due to the fact that his co-workers who performed the same duties as he did were provided with additional severance pay. After auditing the plan it was determined that one of his co-workers Fred Parenteau was paid 26 weeks of severance in error. The Committee voted to seek reimbursement from Fred Parenteau.

The Committee voted that the current investment consultants would remain and that after the first of the year, CRA RogersCasey and JP Morgan would present the year-end returns and the Committee would reevaluate the relationships. In the next meeting CRA will present suggestions for REIT funds and small cap value/blend type funds for the Committee's consideration as a future addition to the 401(k) Savings Plan Core Fund line-up.

The Committee has recently lost two members – Toby Todd and Ron Fuqua. The Committee agreed to recommend that Brenda Mills would replace Toby and that they would review candidates to replace Ron at the next meeting.

**ACTION ITEMS**

The Committee agreed to the following action items:

- Brenda will send a final response (on behalf of the Committee) to the employees who filed ERISA benefit appeals.
- Brenda will send a letter to Fred Parenteau requesting that he reimburse Alcatel for severance pay he received in error
- The Committee agreed that Brenda Mills would replace Toby Todd on the Committee and that next month they would discuss a replacement for Ron.

There being no further business, the meeting was adjourned.

Submitted to the Committee and the Minutes File by:

Brenda Mills  
Brenda Mills

12-20-02  
Date

**ALCATEL**

ALCATEL USA, INC.  
Administrative Committee Meeting – December 9, 2002  
Agenda

Appeals

- 
- 
- William Foley

**REDACTED**

Investment Consultant

Committee Members

Other Issues

## William Foley – Severance

### **Issue:**

William was offered 1.5 weeks of severance for every year of service. He states that his title was Sales Director and therefore he was entitled to 26 weeks of severance as a Director.

### **Facts:**

- William was laid off from Alcatel USA on 5/21/2002 and under the severance plan he was entitled to 1.5 weeks of severance.
- William stated that he should have received 26 weeks of severance since he was a Sales Director.
- William called Julie Liptak several times from 5/29/02 through 6/20/2002 requesting additional severance benefits. Julie forwarded a letter to William dated 6/25/02 stating that the severance package he received was correct and that he was not entitled to the 26 weeks of severance as provided in the director-level severance package.
- On 7/17/2002, William wrote his first appeal requesting a director-level severance package.
- On 8/9/2002, Benefits responded to his first appeal and stated that he was in a sales position with a job title of Sales Director, but that his job level was not that of a Director but an individual contributor. The difference in a Director and individual contributor is the placement of "Director". Director at the beginning of a title would classify one as a member of management and at the end of the title classifies one as an individual contributor.
- On 8/26/2002, Benefits received a second appeal. In the appeal William points out that the terms of Director, Senior Director, etc were not defined in the plan document. There is no definition of the terms in the plan document, however it clearly states in the document that one must be in a job level of Director, Sr. Director or Assistance Vice President to receive the 26 weeks of severance. The document states that the Plan Administrator pursuant to Alcatel's job classification system will determine which classification one's position falls within for purposes of determining severance payment. Based on Alcatel's job classification system one must manage employees to be eligible for the director-level severance. William did not manage employees and was an individual contributor.

Another issue in William's appeal is that there are two other participants who he states had the same job duties as he did and received 26 weeks of severance. The participants were Fred Parenteau, Senior Director of Sales and Dan Micelli, Senior Director. William reported to Fred up until 4/01, when the organization was restructured so that both Fred and William did the same job and both reported to Jim Lowrie. At this time, Fred was no longer managing employees and his title should have been changed. Unfortunately, Fred's title was not changed and when he was laid off he received 26 weeks of severance in error. Dan was entitled to the 26 weeks of severance based on his title and the fact that he had always managed people.